

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E., Suite 400 Aberdeen, South Dakota 57401



IN REPLY REFER TO: DESCRM MC-208

APR 0 2 2012

MEMORANDUM

TO:

Superintendent, Fort Berthold Agency

FROM:

Regional Director, Great Plains Region

SUBJECT:

Environmental Assessment Addendum and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, an Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued. The EA authorizes land use for a well pad expansion for up to five additional wells and access road/utility corridor reroute of the Hidatsa 23-26H on the Fort Berthold Indian Reservation.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the (40 C.F.R. Section 1506.6(b)). Please post the attached notice of availability at the Agency and Tribal buildings for 30 days.

N puly Derce

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Chairman, Three Affiliated Tribes (with attachment)
Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment)
Derek Enderud, Bureau of Land Management (with attachment)
Ryan Krapp, Carlson McCain (with attachment)
Eric Wortman, EPA, (with attachment)
Jonathon Shelman, Corps of Engineers
Jeff Hunt, Fort Berthold Agency

Finding of No Significant Impact

WPX Energy Williston, LLC

Addendum to Environmental Assessment to Authorize Well Pad Expansion and Access Road/Utility Corridor Reroute of the Hidatsa 23-26H

Fort Berthold Indian Reservation Mountrail, North Dakota

The U.S. Bureau of Indian Affairs (BIA) has received a proposal to authorize well pad expansion and access road/utility corridor reroute of the Hidatsa 23-26H on the Fort Berthold Indian Reservation (FBIR). The pad expansion will allow for five additional well bores (Hidatsa 23-26HD, Hidatsa 23-26HY, Hidatsa 23-26HX, Hidatsa 23-26HB, and Hidatsa 23-26HW) to be drilled on the site. The Hidatsa 23-26H well pad is located in the northwest ¼ of the northeast ¼ of Section 23, Township 150 North, Range 93 West, in Mountrail County, North Dakota. Associated federal actions by BIA include determinations of impacts and effects regarding environmental resources for developments on tribal lands.

The potential of the proposed actions to impact the human environment is analyzed in the attached addendum to an existing EA, as required by the National Environmental Policy Act. Based on the recently completed addendum to the EA, I have determined that the proposed project will not significantly affect the quality of the human environment. No Environmental Impact Statement is required for any portion of the proposed activities.

This determination is based on the following factors:

- 1. Agency and public involvement solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
- 2. Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, public safety, water resources, and cultural resources. The remaining potential for impacts was disclosed for both the proposed actions and the No Action alternative.
- 3. Guidance from the U.S. Fish and Wildlife Service has been fully considered regarding wildlife impacts, particularly in regard to threatened or endangered species. This guidance includes the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d, 54 Stat. 250), Executive Order 13186 "Responsibilities of Federal Agencies to Protect Migratory Birds", and the Endangered Species Act (16 U.S.C. 1531 et seq.).
- 4. The proposed actions are designed to avoid adverse effects to historic, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
- 5. Environmental justice was fully considered.
- 6. Cumulative effects to the environment are either mitigated or minimal.
- 7. No regulatory requirements have been waived or require compensatory mitigation measures.
- 8. The proposed projects will improve the socio-economic condition of the affected Indian community.

Regional Director

Date

ENVIRONMENTAL ASSESSMENT Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office Aberdeen, South Dakota



WPX Energy Williston, LLC

Addendum to Environmental Assessment to Authorize
Well Pad Expansion and Access Road/Utility Corridor Reroute of the
Hidatsa 23-26H

Fort Berthold Indian Reservation

March 2012

For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources Management
115 4th Avenue SE, Aberdeen, South Dakota 57401
(605) 226-7656

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1.0 Purpose and Need of Action

WPX Energy Williston, LLC (WPX), formerly Dakota-3 E&P Company, LLC (Dakota-3 E&P), is proposing to drill additional horizontal oil and gas wells on the Fort Berthold Indian Reservation to develop the commercial potential of natural resources. Developments have been proposed on land held in trust by the United States in Mountrail County, North Dakota. The Bureau of Indian Affairs (BIA) is the surface management agency for potentially affected tribal lands and individual allotments. The BIA also holds title to subsurface mineral rights. The economic development of available resources and associated BIA actions are consistent with BIA's general mission. Leasing and development of mineral resources offers substantial economic benefits to the Three Affiliated Tribes of the Mandan, Hidatsa, and Arikara Nations and to individual tribal members.

The purpose of the proposed action is to authorize WPX to expand the previously approved well pad (BIA 2011a, BIA 2011b) for the Hidatsa 23-26H well bore an additional 480 feet on the west side of the original pad and reroute the access road and utility corridor entering the pad (Figure 1) (The pad expansion will allow for five additional well bores (Hidatsa 23-26HD, Hidatsa 23-26HY, Hidatsa 23-26HX, Hidatsa 23-26HB, and Hidatsa 23-26HW) to be drilled on the site. The Hidatsa 23-26H will connect to the Van Hook Gathering System as addressed in the Central VHGS Environmental Assessment Addendum (BIA 2011c). All procedures and commitments made therein will be adhered to.

2.0 Authorities

Oil and gas exploration and development activities are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 United States Code [USC] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.), and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3.0 Legal Land Descriptions of Proposed Action

The Hidatsa 23-26H well pad is located in the northwest ¼ of the northeast ¼ of Section 23, Township 150 North, Range 93 West, in Mountrail County, North Dakota.

4.0 Scope of Work for Proposed Action

WPX proposes to expand the Hidatsa 23-26H well pad working surface to the west by approximately 6.0 acres. The new total surface use loss will be approximately 9.3 acres for six well bores. The total disturbance associated with the well pad (fenced area) is 11.2 acres Interim reclamation will reduce the pad size to approximately 4.0 acres or just over 0.6 acres per well. Facilities including, heater treaters, flare pit, and tanks will be erected on the west end of the proposed well pad. No additional acreage of disturbance will occur due to the access road and utility corridor reroute.

5.0 Cultural and Natural Resource Surveys

Carlson McCain, Inc (CM) was the lead for the natural resource evaluation with cultural resource surveys conducted by SWCA Environmental Consultants (SWCA). Additional resource surveys around the proposed expanded site were performed on August 17, 2011 and October 28, 2011. Right-of-Way on-site inspection with final plats was conducted on February 9, 2012, confirming the plan discussed at onsite and within this addendum. The cultural resource report summary is presented below and full report submitted to BIA under separate cover (SWCA, 2012).

A cultural resource inventory of this well pad expansion project was conducted by personnel of SWCA Environmental Consultants, using an intensive pedestrian methodology. Approximately 22.52 acres were inventoried on October 25, 2011 (Reinhart and Herson 2012). No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.6) for inclusion on the National Register. As the lead federal agency, and as provided for in 36 CFR 800.5, on the basis of the information provided, BIA reached a determination of **no historic properties affected** for this undertaking. This determination was communicated to the THPO on March 2, 2012; however the THPO did not respond within the allotted 30 day comment period.

The proposed well pad expansion area is located in an area of native grassland. The area is currently used as a pasture and at the time of on-site investigation, residual vegetative cover was moderate. Western wheatgrass (Agropyron smithii), needle-and-thread (Stipa comata), blue grama (Bouteloua gracilis), prairie junegrass (Koeleria pyramidata) and threadleaf sedge (Carex filifolia) are the dominant grass species found in and on the flats. Scattered species along the route include little bluestem (Andropogon scoparius), prairie sandreed (Calamovilfa longifolia), purple coneflower (Echinacea angustifolia), prairie wildrose (Rosa arkansana), broom snakeweed (Gutierrezia sarothrae), yellow flax (Linum rigidum), white sage (Artemisia ludoviciana), fringed sagebrush (Artemisia frigida), Missouri goldenrod (Solidago missouriensis), buck brush (Symphoricarpos occidentalis), and silver sagebrush (Artemisia cana). Tree species flanking the access route and in adjacent drainages includes green ash (Fraxinus pennsylvanica), Rocky mountain juniper (Juniperus scopulorum), creeping juniper (Juniperus horizontalis), choke cherry (Prunus virginiana), and buffalo berry (Shepherdia argentea).

Mitigation option discussed and decided upon was the complete avoidance of tree row and drainage. Soil stock piles and a 48-inch containment berm would be placed on the south and west sides of the pad to contain surface water from transferring off of the pad providing additional protection to Lake Sakakawea. Soils across the site are fine loams and black for approximately six inches before turning lighter brown and sandy. WPX and BIA resource officers will conduct monitoring of berm and all other potential erosion areas periodically to ensure proper functioning condition.

Wildlife species surveys conducted did not reveal any nesting migratory birds or raptors at this time possibly due to the timing of survey. Suitable raptor and migratory bird nesting habitat is found in and near the proposed pad expansion. Additional migratory bird survey will be conducted five-days prior to construction if activities are proposed between February 1 and July 15.

It is BIA policy and WPX is committed to a good faith effort towards interim reclamation started within six months of the additional disturbance. The four-foot containment berm will remain and continue to divert water around the pad after interim reclamation. Use of BMPs (soil compaction, berms, straw matting, wattles, fabric etc.) will be used to reduce erosion potential. Indefinite monitoring of seeding success and weed species control and maintenance will occur as needed to maintain environmental protections.

WPX will drill these wells with a closed-loop drilling system. No cuttings or fluids pit will be constructed on pad site. Cuttings and fluids will be contained in tanks and periodically removed and disposed of at approved waste disposal site.

6.0 Applicable National Environmental Policy Act (NEPA) Document(s)

Environmental Assessment: Zenergy Operating Company, LLC, D-3 Mary R. Smith #5-8H, D-3 Hidatsa #23-26H. January, 2011. FONSI issued January 7, 2011.

7.0 Other Relevant Documentation

BIA, 2011a. Environmental Assessment Addendum: Dakota-3 Exploration and Production, LLC, Hidatsa #23-26H Access Road and Utility Corridor. Mountrail County, North Dakota. Report submitted to BIA: August, 2011.

BIA, 2011b. Environmental Assessment Addendum: Dakota-3 Exploration and Production, LLC, Central Van Hook Gathering System (VHGS) November, 2011. FONSI issued December 29, 2011.

(SWCA, 2012). Reinhart, Damien and Chandler S. Herson

2012 SWCA. A Class I and Class III Cultural Resource Inventory of the Hidatsa #23-26H Well Pad Expansion and Access Road Reroute, Fort Berthold Indian Reservation, Mountrail County, North Dakota.

8.0 NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, *Environmental Assessment:* Zenergy Operating Company, LLC, D-3 Mary R. Smith #5-8H, D-3 Hidatsa #23-26H (January 2011), which adequately describes the environmental consequences of the newly proposed action described herein, and meets the following NEPA Adequacy Criteria.

- 1. The proposed action is substantially the same action and at the site specifically analyzed in the existing NEPA document.
- 2. The range of alternatives is reasonable with respect to the current proposed action in the existing NEPA document, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
- 3. The existing analysis and conclusions are adequate in the existing NEPA document. The analysis is still valid in light of new studies or resource assessment information.
- 4. The methodology and analytical approach used in the existing NEPA document continues to be appropriate for the proposed action.
- 5. The direct and indirect impacts of the proposed action are unchanged from those identified in the existing NEPA document.
- 6. The cumulative impacts that would result from implementation of the proposed action are unchanged from those analyzed in the existing NEPA document.
- 7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA document.

Figure 1. Hidatsa 23-26H Well Pad Expansion, Access Road/Utility Corridor Reroute

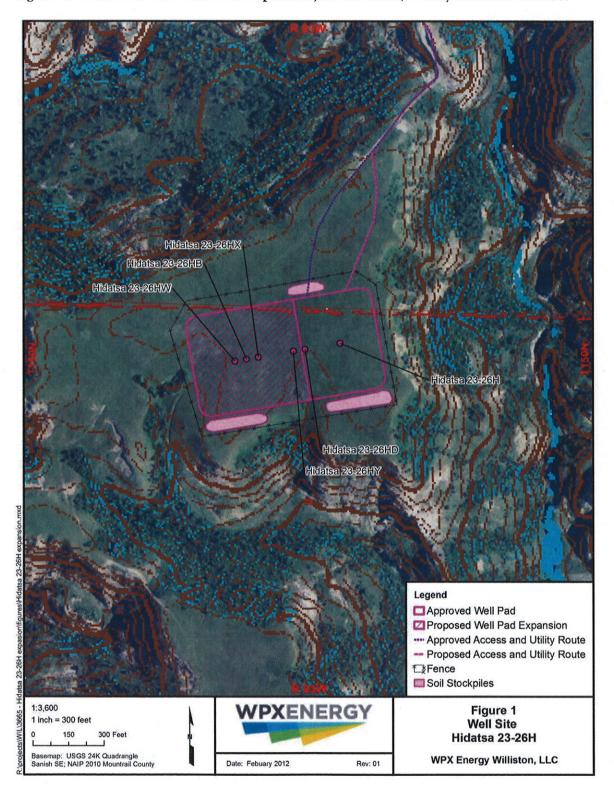
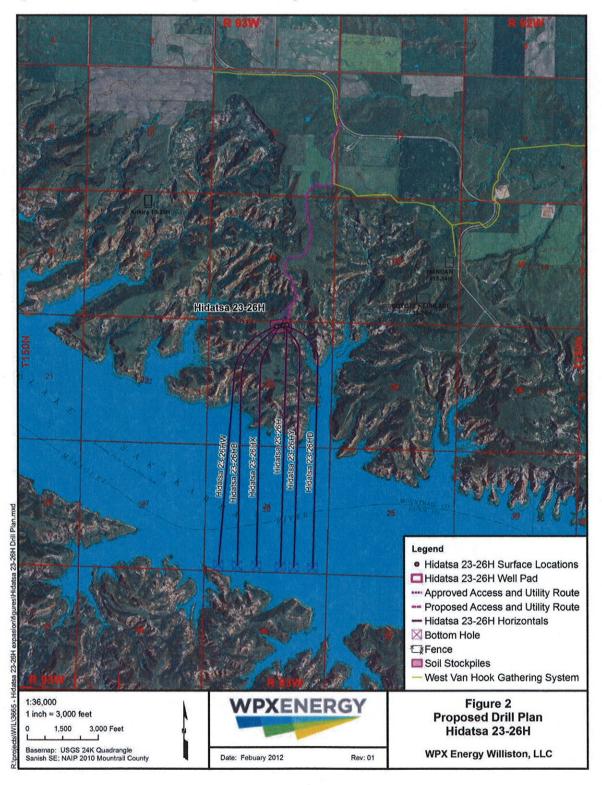


Figure 2. Hidatsa 23-26H Expansion Drilling Plan





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E., Suite 400 Aberdeen, South Dakota 57401



DESCRM MC-208

MAR 0 2 2012

Elgin Crows Breast, THPO Mandan, Hidatsa and Arikara Nation 404 Frontage Road New Town, North Dakota 58763

Dear Mr. Crows Breast:

We have considered the potential effects on cultural resources of a proposed oil well pad expansion in Mountrail County, North Dakota. Approximately 22.52 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the area depicted in the enclosed report. No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.4) for inclusion on the National Register of Historic Places. No properties were located that appear to qualify for protection under the American Indian Religious Freedom Act (42 USC 1996).

As the surface management agency, and as provided for in 36 CFR 800.5, we have therefore reached a determination of **no historic properties affected** for this undertaking. Catalogued as **BIA Case Number AAO-2065/FB/12**, the proposed undertaking, location, and project dimensions are described in the following report:

Reinhart, Damien, and Chandler S. Herson

(2012) A Class I and Class III Cultural Resource Inventory of the Hidatsa #23-26H Well Pad Expansion and Access Road Reroute, Fort Berthold Indian Reservation, Mountrail County, North Dakota. SWCA Environmental Consultants for WPX Energy Williston, LLC, Tulsa.

If your office concurs with this determination, consultation will be completed under the National Historic Preservation Act and its implementing regulations. We will adhere to the Standard Conditions of Compliance.

If you have any questions, please contact Dr. Carson N. Murdy, Regional Archaeologist, at (605) 226-7656.

Sincerely,

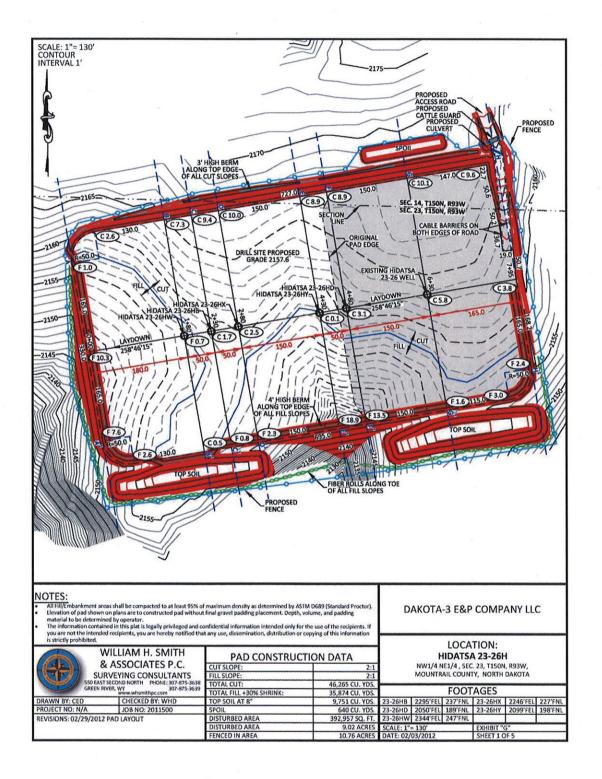
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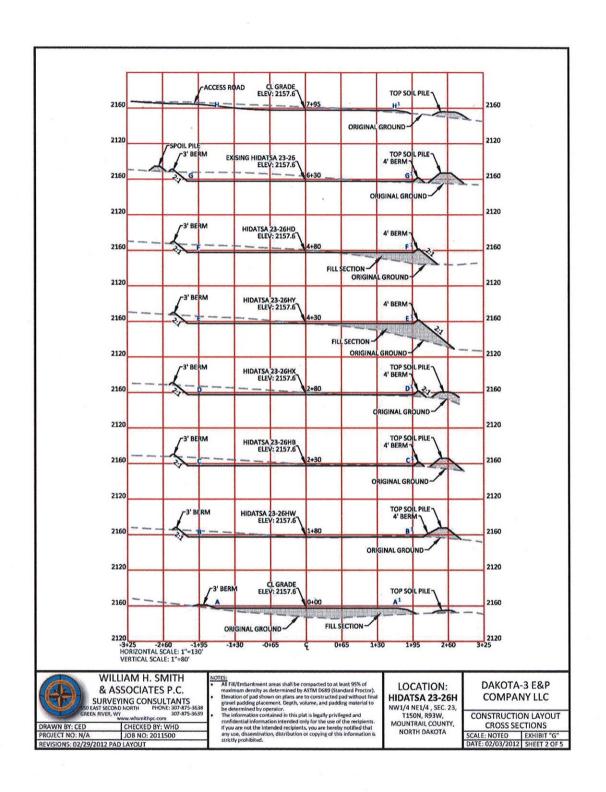
Enclosure

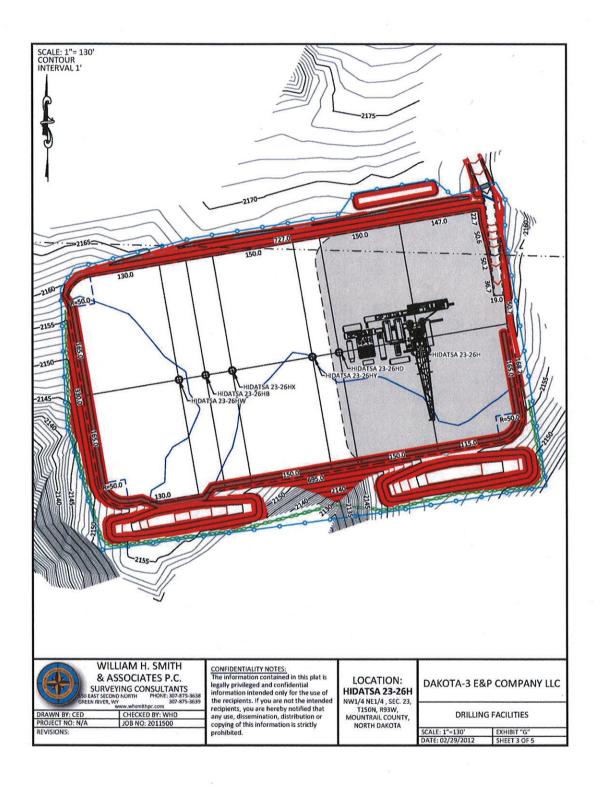
cc: Chairman, Three Affiliated Tribes
Superintendent, Fort Berthold Agency

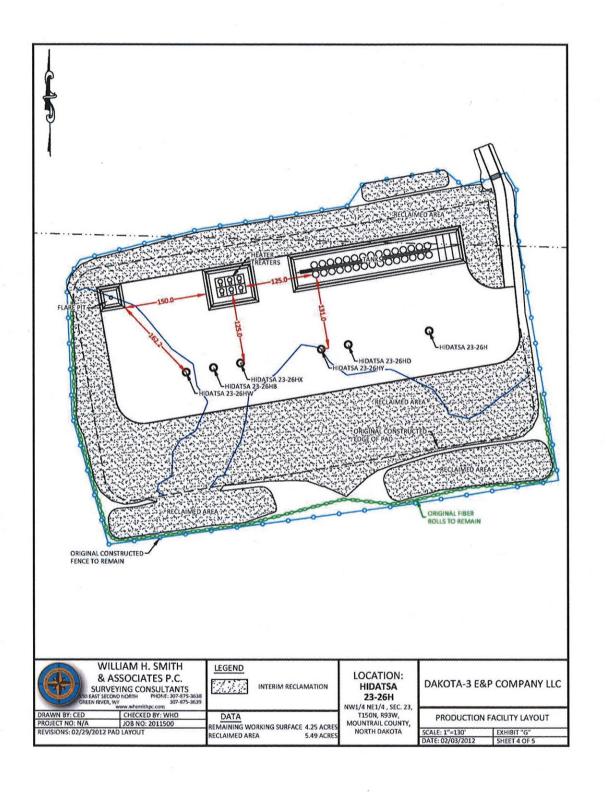
APPENDIX A

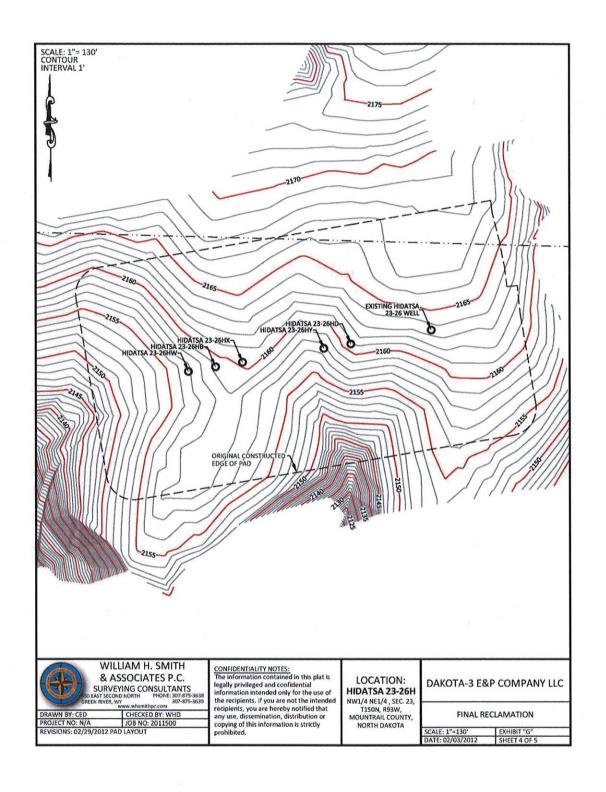
Plats, Drawings, and Diagrams for the Revised Hidatsa 23-26H Expanded Well Pad and Reroute of Access Road and Utility Corridor











Notice of Availability and Appeal Rights

WPX Energy: Addendum to Environmental Assessment to Authorize
Well Pad Expansion and Access Road/Utility Corridor Reroute of the
Hidatsa 23-26H

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals to Authorize Well Pad Expansion and Access Road/Utility Corridor Reroute of the Hidatsa 23-26H on the Fort Berthold Reservation as shown on the attached map. Construction by WPX Energy is expected to begin in 2012.

An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Earl Silk, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant Impact (FONSI).

The FONSI is only a finding on environmental impacts – it is not a decision to proceed with an action and *cannot* be appealed. BIA's decision to proceed with administrative actions *can* be appealed until May 1, 2012, by contacting:

United States Department of the Interior Office of Hearings and Appeals Interior Board of Indian Appeals 801 N. Ouincy Street, Suite 300, Arlington, Va 22203.

Procedural details are available from the BIA Fort Berthold Agency at 701-627-4707.

Project locations.

